

Kentucky Higher Education Student Loan Corporation
Unaudited Balance Sheet by Fund
June 30, 2010

	<u>Auction Rate Education Finance Funds</u>	
	<u>1997 General Bond Resolution</u>	<u>2004 General Bond Resolution</u>
ASSETS		
Current:		
Accounts Receivable and Prepaid Expenses	15,000	0
Accrued Interest Income	14,224,847	12,535
Total Current Assets	14,239,847	12,535
Noncurrent:		
Restricted Cash and Cash Equivalents	27,923,281	27,608,127
Loans, Net	708,290,175	0
Total Noncurrent Assets	736,213,456	27,608,127
Total Assets	750,453,303	27,620,662
LIABILITIES		
Current:		
Accounts Payable and Accrued Expenses	324,959	12,392
Payable to U.S. Department of Education	3,821,759	5,898,420
Interfund Payable (Receivable)	(2,453,282)	454,520
Allowance for Arbitrage Liabilities		103,737
Accrued Interest Expense	2,285,676	10
Bonds Payable		950,000
Total Current Liabilities	3,979,112	7,419,079
Noncurrent:		
Allowance for Arbitrage Liabilities	578,883	0
Bonds Payable	705,650,000	
Total Noncurrent Liabilities	706,228,883	0
Total Liabilities	710,207,995	7,419,079
NET ASSETS		
Unrestricted	19,075,810	0
Restricted	21,169,498	20,201,583
Total Net Assets	40,245,308	20,201,583
Total Liabilities and Net Assets	\$750,453,303	\$27,620,662

Schedule A

	1997 General Bond Resolution	2004 General Bond Resolution
Payable to U.S. Department of Education		
Accrued loan interest/ government	\$ 2,381,229	\$ 4,699,838
Accrued loan interest/ special allowance	(6,203,437)	(10,587,943)
Origination fee payable	131	96
Lender origination fee payable	318	(10,183)
PUT loan receivable from DOE		(228)
Total Payable related to U.S. Department of Education	<u>\$ (3,821,759)</u>	<u>\$ (5,898,420)</u>